

#### **Fundamental Aspects for International Shipping**

# Shipping to Canada from New Zealand

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### Fundamental Aspects for International Shipping

- HS Codes
- Valuation
- Country of Origin
- Resulting duty assessment

Export Declaration from New Zealand

The CPTPP Free Trade Agreement

Non-Resident Importer (NRI) to Canada



www.jetworldwide.com/blog/shippingparcels-from-new-zealand-to-vancouvercanada

Shipping Options New Zealand to Canada Returns and Logistics Support.



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#### **HS Codes**

#### New Zealand HS codes versus Canadian HS codes

The main difference between HS codes in New Zealand and Canada lies in the additional digits. The first six digits are harmonized globally

• The Harmonized schedule Canadian Customs Tariff



See link to Canada and New Zealand resources for HS lookup: 🛇 Jet's blog on HS Codes



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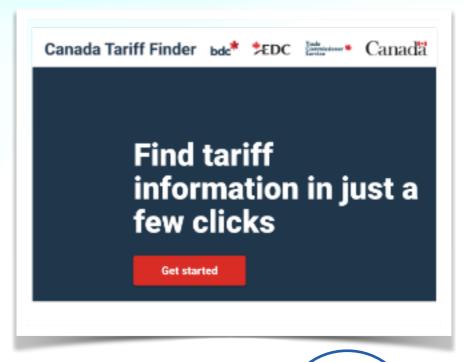
#### **HS Codes**

Finding the Canadian HS codes direct or via Canada Export Development Corporation's online tool.



Customs Tariff 2022 Read More

#### **Canada Export Development Corp**



A link to these tools are included on Jet's blog on HS Codes

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### Valuation / Value For Duty

#### **Transaction Value**

In the majority of the cases, the correct value to declare at export and import is the "transaction value." The transaction value is the price paid - or payable - for the goods.

The cost of shipping and insurance is included as part of the transaction value (known as CIF value).



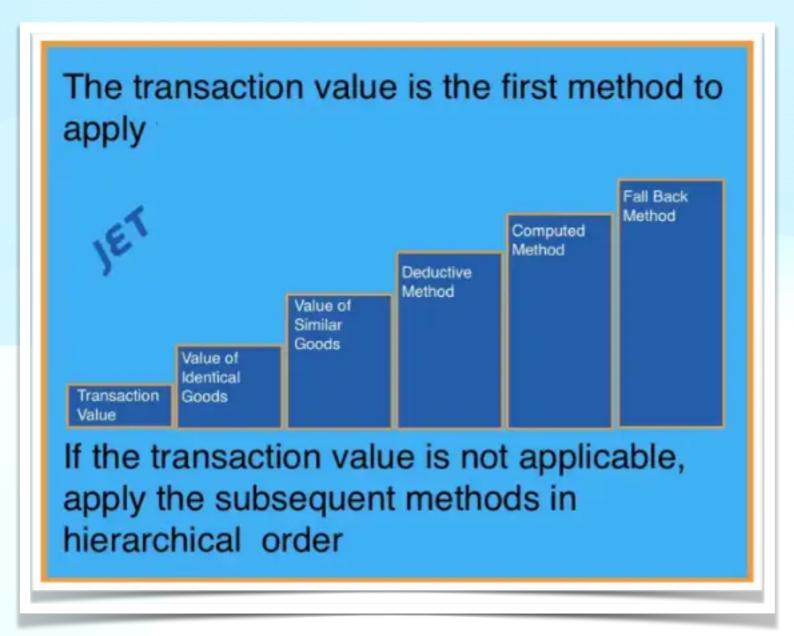
Useful information regarding C declared value and CIF

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#### **Valuation / Value For Duty**



Useful information regarding <u>declared value and CIF</u>

#### Fundamental Aspects for International Shipping

- HS Codes
- Valuation

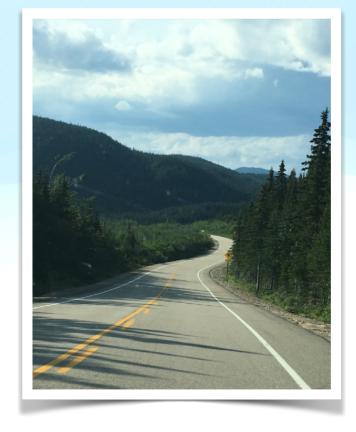
# Country of Origin

Resulting duty assessment

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### **Country of Origin**

Just the purchase and shipping an item from New Zealand does not grant duty free status to Canada Shipping from New Zealand ≠ New Zealand origin goods

To benefit from preferential duty free import to Canada, goods must qualify under the rules of origin via CPTPP.

#### All Shipments from New Zealand are subject to:

- Standard import processing
- "Most Favoured Nation" / default rate of duty (unless they qualify as originating)
- Restrictions on specific categories including food, drugs and alcohol

Useful information on Offrom where goods ship versus their country of origin



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#### **Canada's Import Tariffs / Duty**

Import Duty is primarily determined by three main factors

- HS Code / tariff classification
- Country of Origin
- = % Duty

% Duty (x) Value = Resulting Duty Assessment

\* Note that duty is sometimes based on volume, weight or other measurements rather than value

#### **Other Canadian Import Fees**

Federal and Provincial Sales Tax
Entry Preparation and Related Fees
Carrier Disbursement Fee

Useful information



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### **Export Declaration**

Confirm the export formalities from New Zealand.

Two Types of export clearances from New Zealand

- Export entry full description of everything you're exporting, including their classification under the <u>Working Tariff Document of</u> <u>New Zealand</u>. Or via a Customs broker, agent or freight forwarder to act on your behalf.
- Electronic cargo information (ECI) summary details for items or consignments whose total value is less than NZ\$1,000.





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**Export Declaration from New Zealand** 



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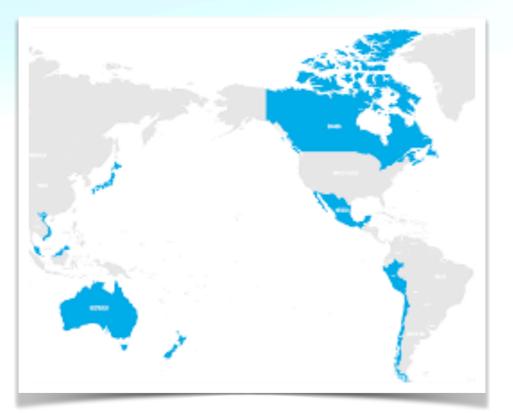


#### **CPTPP Free Trade Agreement**

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) addresses various aspects of trade, including market access, rules of origin for preferential duty free import.

The key advantage for merchandise trade is New Zealand origin goods can qualify for preferential duty free import.

Be sure to include a certification of origin.



Canada Australia Brunei Chile Japan Malaysia Mexico New Zealand Peru Singapore Vietnam

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### **Non-Resident Importer/ NRI**

The NRI program allows New Zealand businesses to get a Canadian Business Number (BN). This is the most common way for foreign companies to import goods to Canada.

This program allows New Zealand companies to effectively operate as your own distributor to Canada and the USA.

Large bulk imports can import via one customs entry for de-consolidation and distribution to multiple consignees.

The requirements include record keeping, posting of a surety bond to benefit from customs release prior to payment of import fees, and reporting.

Note: Different methods of valuation may apply



Visit CBSA website .... or contact a Canadian customs broker or an accounting firm for more information.



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#### Shipping Options and processes: New Zealand to Canada

#### For Parcels: Obvious .. and often.. good choices

FedEx, UPS and DHL

- Beware of import fees
- Disbursement fee prepayment fee often applies with a minimum charge
- The import fees can be significant as a percentage of the value of the shipment

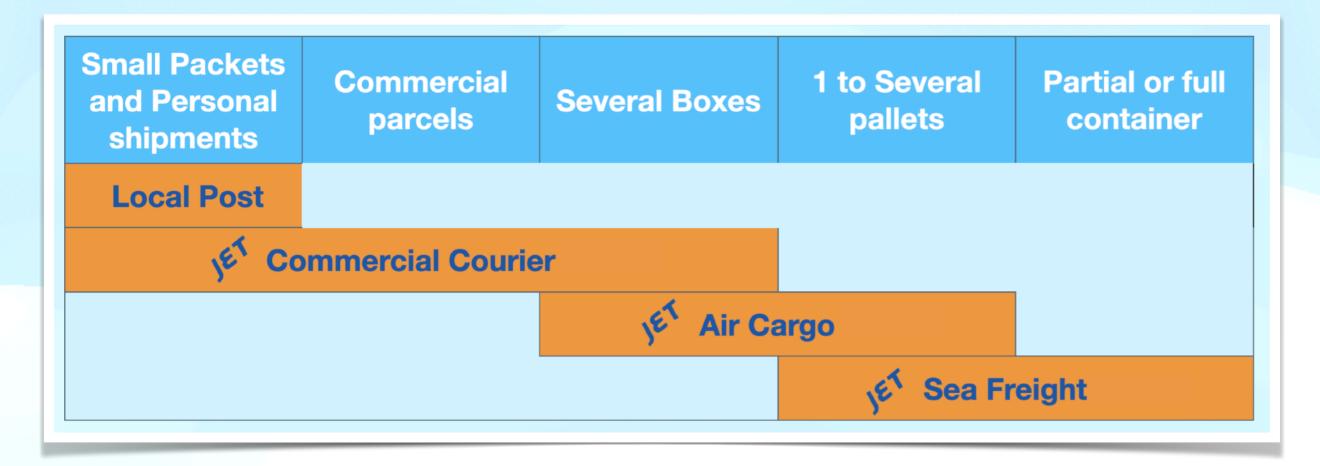
Local Post Office

Best option for individuals shipping personal goods



#### **Shipping to Canada**

#### Fundamental Aspects for International Shipping



#### Contact our team for pricing and support



#### Returns in Canada for New Zealand Companies

#### **Return Solutions Canada to New Zealand**

A necessary consideration when setting up export processes to a foreign country is management of returns.

- Refused deliveries
- Damaged goods
- Regular product returns
- Receive and reship

Jet Worldwide currently manages Amazon removal order, and return support for overseas companies. Goods ship back via economy air or LCL ocean.







